

**UNITED STATES**  
**DEPARTMENT OF THE TREASURY**

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**Director, Office of Professional Responsibility,  
Complainant-Appellee,**

**v.**

**COMPLAINT NO. 2004-11**

**Thomas Edward Settles,  
Respondent-Appellant.**

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**Decision on Appeal**

Under the authority of General Counsel Order No. 9 (January 9, 2001) and the authority vested in him as Assistant General Counsel of the Treasury who was the Chief Counsel of the Internal Revenue Service, under a series of Delegation Orders (most recently, a Delegation Order dated January 15, 2008) Donald L. Korb delegated to the undersigned the authority to decide disciplinary appeals to the Secretary filed under Part 10 of Title 31, Code of Federal Regulations (“Practice Before the Internal Revenue Service,” sometimes known and hereafter referred to as “Treasury Circular 230”).

This Decision on Appeal relates to such an Appeal brought by Thomas Edward Settles, Respondent-Appellant, with respect to a Decision entered in these proceedings by Administrative Law Judge T. Todd Hodgdon (the “ALJ”) on March 2, 2006. In his Decision, the ALJ disbarred Respondent-Appellant from practice before the Internal Revenue Service.<sup>1</sup> Respondent-Appellant filed a timely Appeal of the ALJ’s Decision.

I entered an Initial Decision on Appeal in these proceedings was issued on October 5, 2007.<sup>2</sup> In my Initial Decision on Appeal, I affirmed many of the ALJ’s findings of fact and conclusions of law, reversed the ALJ’s findings with respect to one charge, vacated and remanded the ALJ’s findings and conclusions with respect to another charge, and vacated and remanded for the ALJ’s further consideration

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<sup>1</sup> The ALJ’s Decision, appears as Attachment A to this Decision on Appeal.

<sup>2</sup> The Initial Decision on Appeal appears as Attachment B to this Decision on Appeal.

**the issue of the appropriate sanction to be imposed in light of the charges proven. The ALJ did so in a Decision on Remand entered on November 27, 2007.<sup>3</sup> In his Decision on Remand, the ALJ addressed (appropriately) each of the issues I requested him to consider, including the appropriate sanction to be imposed with respect to the charges sustained. The ALJ concluded, on the basis of the charges sustained, that the appropriate sanction was DISBARMENT.**

**I agree, and thus AFFIRM the ALJ's Decision on Remand. I therefore DISBAR Respondent-Appellant from practice before the Internal Revenue Service, effective on the date of entry of this Decision on Appeal, which constitutes FINAL AGENCY ACTION in these proceedings.**

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**David F. P. O'Connor  
Special Counsel to the Senior Counsel  
Office of Chief Counsel  
Internal Revenue Service  
(As Authorized Delegate of  
Henry M. Paulson,  
Secretary of the Treasury)**

**February 7, 2008  
Washington, D.C.**

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<sup>3</sup> The ALJ's Decision on Remand appears as Attachment C to this Decision on Appeal.